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March 11, 1998

Ex Parte Filing

Magalie Salas, Secretary
Federal Communications Commission
1919 M Street, N.W., Room 222
Washington, D.C. 20554

In re Matter of the Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996, **CC Docket No. 96-128**

Dear Ms. Salas:

Enclosed for filing in this docket are the original and one copy of a letter sent to Chairman Kennard, Commissioners Ness, Furtchgott-Roth, Powell, and Tristani today on behalf of the RBOC/GTE/SNET Payphone Coalition. I would ask that you include the letter in the record of this proceeding in compliance with 47 C.F.R. § 1.1206(a)(2).

If you have any questions concerning this matter, please contact me at (202) 326-7902.

Yours sincerely,

Michael K. Kellogg

Michael K. Kellogg

Enclosure

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March 11, 1998

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Chairman William E. Kennard
Commissioner Susan Ness
Commissioner Harold W. Furtchgott-Roth
Commissioner Michael K. Powell
Commissioner Gloria Tristani
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554

Dear Chairman Kennard, Commissioners Ness, Furtchgott-Roth, Powell, and Tristani:

The RBOC/GTE/SNET Payphone Coalition wishes to bring to the Commission's attention the attached materials developed by the Payphone Communication Alliance. Studies prepared by the independent consulting firm of Frost & Sullivan indicate that rate increases introduced by several large IXCs over the last year, along with the reduction in payphone-related access charges associated with the deregulation of LEC payphones on April 15, 1997, have permitted these IXCs to recover far more from their customers than the amount of the IXCs' per-call compensation obligations for access code and subscriber 800 calls made from payphones. Notwithstanding this apparent windfall from the combination of access savings and rate increases, these same IXCs in late 1997 announced and imposed additional surcharges -- which they misleadingly termed "federally mandated" -- on their toll-free service subscribers.

The Commission has worked hard to establish a deregulated environment in which a fully competitive payphone industry can develop. The Commission's market-based, per-call compensation regime helps to ensure that in this deregulated environment, payphone service providers receive fair compensation for every call, as Congress requires. Yet the IXCs have made a concerted effort both to undermine and to exploit that regime.

Not only have the IXCs apparently overcharged their customers; they also have failed to pay all but a small fraction of the compensation due to PSPs. The Coalition therefore notes with satisfaction the order released by the Common Carrier Bureau on March 9, 1998, which makes clear that IXCs have a firm and unconditional obligation under the Commission's orders to pay per-call compensation of 28.4 cents per compensable call for the period after October 9, 1997. The Coalition urges the Commission to move promptly similarly to define IXCs' interim compensation obligations, including interest, for calls made before October 9.

We hope that you find this information useful. If I can provide any additional clarification, please call me at (202) 326-7902.

Sincerely,

Michael K. Kellogg

cc: John Nakahata
Thomas Power
James L. Casserly
Kevin Martin
Kyle Dixon
Paul Gallant
A. Richard Metzger, Jr.
Mary Beth Richards
Glenn Reynolds
Robert Spangler
Rose Crellin
Greg Lipscomb
Craig Stroup
Jennifer Myers
James Schlichting
Christopher J. Wright
John E. Ingle

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THE TOLL-FREE TRUTH

The Situation

➡ Section 276 of the Telecommunications Act of 1996 requires that payphone service providers (PSPs) be *"fairly compensated for each and every completed... call"* made from a payphone. This provision ended the free ride that long distance companies enjoyed, paying little or nothing for millions of calls made from payphones.

➡ These calls fall into two categories: (1) "access code," or "dial around," calls that give the caller the ability to choose a particular long distance service (these include, for example, 10XXX calls such as "10321," as well as 1-800-COLLECT and 1-800-CALLATT); or (2) "subscriber-800," or "toll-free," calls that permit a caller to reach a toll-free number obtained from a long distance company ("800" or "888").

➡ In April of 1997, the local telephone companies reduced their federal access charges to long distance carriers (the fees long distance companies pay to originate and/or terminate long distance calls on local telephone networks) by more than $250 million per year, specifically to reflect the reduction in costs from the elimination of payphone subsidies as directed by Congress in Section 276 of the Act.

➡ In October of 1997, the FCC established a charge of 28.4 cents per call for dial around and toll-free calls made from payphones. *Long distance companies, not end users, are responsible for paying the PSPs this charge.*

➡ The FCC set the per-call charge for these calls based on the prevailing deregulated rate for a local call made from a payphone (local coin call), less the costs the FCC identified as avoided when a caller places a dial around or toll-free call from a payphone.

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THE FACTS

✓ Despite some recent reports to the contrary, payphone users are not charged at the payphone for toll-free and dial around calls.

✓ *In a recent consumer information bulletin, the Commission said, "Long distance companies have significant leeway on how to compensate PSPs. The FCC left it to each long distance company to determine how it will recover the cost of compensating PSPs."*

✓ The truth is that some long distance companies have used the FCC's payphone proceeding as an excuse to overcharge their customers.

✓ The total benefit accrued by long distance companies from rate increases, access charge and commission savings reductions is more than enough to cover payphone compensation.

⇒ Over the last year, long distance companies have imposed several across-the-board increases in their toll-free rates, each time asserting that the increase was for the explicit purpose of covering PSP compensation for toll-free and dial around calls from payphones.

⇒ Long distance companies have pocketed more than $250 million a year in recurring savings, specifically due to elimination of payphone subsidies.

⇒ Long distance companies have saved tens of millions of dollars in commissions to PSPs and payphone location owners as a result of the massive shift from 0+ calls to dial around calls made possible by changes in federal law in 1992, the Telephone Operator Service Improvement Act ("TOCSIA"). For example, AT&T paid commissions of up to 95 cents per call for each 0+ call received from a payphone. By shifting 0+ calls to the heavily advertised "1-800-CALL ATT," AT&T used the technological loophole to reap huge savings and profit.

✓ The new per-call charge that long distance companies imposed last fall (AT&T - 28 cents; MCI and Sprint - 30 cents) on their toll-free and credit card subscribers is entirely unjustified since these companies have already more than recovered the cost of the FCC's payphone decision. These new, additional per-call charges are creating a windfall for long distance companies and a backlash from toll-free subscribers and consumers against a proper and fair decision by the FCC.

THE HISTORY

General

On February 8, 1996, the President signed into law the Telecommunications Act of 1996 ("Act"), the most sweeping reform of our nation's telecommunications laws in over 60 years. The Act fundamentally shifted the legal tenets of telecommunications law, substituting marketplace solutions – competition – for government regulation wherever possible.

Passage of the Act was critical to the future success and growth of the U.S. payphone industry. Previously, the industry had been subject to state regulatory policies and price controls. These included a system of internal subsidies that used revenue from business and residential customers to support the operating costs of telephone company payphones. With the advent of competition in the payphone market, deregulation would open the way for competitive, free market pricing and the resulting incentives to expand deployment of payphones, introduce new technologies and enhance services.

Several years earlier, in 1992, Congress made some improvements in payphone compensation and cost recovery for independent payphone providers with the passage of the Telephone Operator Consumer Service Improvement Act ("TOCSIA"). These changes did not, however, go far enough. All PSPs continued to receive little or no compensation for millions of calls, because of a technological loophole that gave a free ride to long distance companies.[1] Historical payphone subsidies and the disparate cost recovery and revenue opportunities between telephone company and independent payphones were left intact.

Section 276 of the Telecommunications Act of 1996 was designed to level the playing field in the payphone industry to promote competition among all payphone service providers (PSPs), telephone companies and independents, and the widespread deployment of payphone services.[2] It requires that all PSPs be

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[1] "These calls fall into two categories: (1) "access code," or "dial around" calls that give the caller the ability to choose a particular long distance service (these include, for example, 10XXX, such as "10321," as well as 1-800-COLLECT and 1-800-CALLATT); or (2) "subscriber-800," or "toll-free," calls that permit a caller to reach a toll-free number obtained from a long distance company ("800" or "888").

[2] There are about 2 million payphones in the United States. Approximately 80 percent are owned by local telephone companies or their affiliates. Independent payphone companies own the rest.

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"fairly compensated for each and every completed....call" made from their payphones, and it gives the FCC the responsibility of ensuring that this requirement is met. This compensation requirement is particularly important *since as much as one-half to two-thirds of long distance calls from payphones have shifted to dial around and toll-free calls.* Section 276 also directs the FCC to ensure that all payphone subsidies are eliminated.

FCC's First Set of Rules

Per-Call Compensation Set at 35 Cents

On September 20, 1996, the FCC adopted its first set of rules implementing Section 276 of the Act. The FCC determined that the best way to ensure that PSPs are "fairly compensated" is to let the market set the price for each call. The FCC therefore deregulated local coin rates in all 50 states, effective October 7, 1997, after having directed the local telephone companies to eliminate payphone subsidies by April 15, 1997.

In addition, the FCC finally ended the "free ride" that long distance companies enjoyed for many dial around and toll-free calls from payphones. It established an interim compensation plan for these calls until privately negotiated compensation agreements become the norm. For the first period – November 1996 to October 1997 – the FCC ruled that long distance companies with more than $100 million in revenues pay each PSP a flat rate per phone, apportioned among long distance companies by market share. In the second 12-month period (which has already begun), when per-call tracking is widely available, the FCC initially set a compensation rate of 35 cents per call, the prevailing rate for local coin calls in states where the rate for such calls is not regulated.

The FCC reasoned that a long distance company should ultimately negotiate with PSPs for a per-call compensation rate. Within these negotiations, long distance companies – or the 800 number subscribers themselves – have leverage in that they may elect to block all toll-free calls from a PSP if there is no agreement on a negotiated rate. *PSPs are prohibited from blocking toll-free calls, and cannot charge a payphone user for such calls.*

Despite this balanced, marketplace approach to payphone compensation, the long distance companies challenged the FCC decision in federal court. They argued in support of a pricing model called Total Element Long-Run Incremental Cost ("TELRIC"). The FCC had rejected TELRIC, staying faithful to Congress' intent to rely on market-based solutions.

FCC's Second Set of Rules

Per-Call Compensation Reduced to 28.4 Cents

On July 1, 1997, the U.S. Court of Appeals for the DC Circuit remanded the payphone compensation rate to the FCC for further consideration. On October 9, 1997, the FCC adopted a second set of rules, reducing the per-call compensation from 35 cents per call to 28.4 cents per call, over the objections of the PSPs. The FCC found that the reduction accounted for the costs a PSP avoids when providing a toll-free or dial around call. The FCC again held firm to its reliance on a marketplace pricing benchmark, concluding that "a market-based rate best responds to the competitive marketplace for payphones consistent with the deregulatory scheme...pursuant to Section 276, and will also effectively advance the statutory goals of encouraging competition and promoting the deployment of payphones."

Long Distance Companies Raise Rates

Using the FCC Rules as an Excuse to Overcharge Customers

Several long distance companies have asked the FCC to reconsider its October 9 decision. A decision from the FCC is anticipated by the spring of 1998.

These long distance companies are challenging the FCC rules despite the significant reduction in the per-call rate from 35 cents to 28.4 cents (nearly 20 percent). In the meantime, the long distance companies have repeatedly raised their toll-free rates purportedly to cover payphone compensation, added per-call surcharges (to cover the same payphone compensation), and pocketed in excess of $250 million in savings from the elimination of payphone subsidies.

AT&T, for example, raised its 800 rates at least three times in 1997 to pay for the new compensation rate.

- On February 27, it raised rates for all toll-free calls by 3 percent and imposed a charge of 15 cents per call for business credit card calls.
- On May 1, it raised its interstate toll-free rates by 7 percent and business international and interstate outbound services by 2 percent.
- *On June 1, it added another 35-cent per-call charge for operator handled calls, including calling card calls "to offset payments to payphone owners."* This charge was reduced to 28 cents only after the FCC reduced the per-call charge in October 1997. The new 28 cent per call surcharge was expanded to include toll free calls.

MCI and Sprint have repeatedly raised their rates as well.

- *MCI raised its 800 rates twice in 1997*, each time by more than three percent.
- *Sprint also raised its 800 rates twice*, by two percent in November 1996, and again by about five percent in 1997.
- *MCI and Sprint also announced last year that they will impose $0.30 per call surcharge for payphone use.*

Even though AT&T, MCI and Sprint announced per-call rate hikes to cover the 28.4 cents, none have rolled back the substantial across-the-board rate increases they made earlier, specifically to cover payphone compensation.

Finally, since April 15, 1997 the long distance companies have also pocketed in excess of $250 million as a result of the elimination of payphone subsidies historically included in local telephone company access charges.[3] None of these savings have been passed on to consumers or to 800 service customers.

Summary

In sum, the long distance companies have repeatedly raised their rates to cover the payphone compensation charge, and they have pocketed substantial savings in payphone specific access charge reductions. To date, they have paid the payphone industry little or nothing for these calls, while unfairly blaming each of their multiple rate increases on the payphone industry and the FCC.

The Telecommunications Act was designed to benefit the public by promoting compensation, maintaining widespread deployment of payphones, and encouraging technological advancement in the payphone industry. Such advanced services include connections for laptops and screens for Internet access. By their resistance to the development of a market-driven payphone industry, and their exploitation of customers through unfair overcharging, long distance companies put this future at risk.

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[3] Access charges are the charges long distance companies pay to local telephone companies for the origination and termination of long distance calls on the local telephone network.

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QUESTIONS AND ANSWERS

✓ What did the Telecommunications Act of 1996 require?

Section 276 of the Telecommunications Act requires the FCC to establish a per-call compensation plan to ensure that the owners of the nation's two million payphones are paid for "each and every call" made from a payphone. Before 1996, payphone service providers (PSPs) often received no compensation at all for completed toll-free and dial around calls. The Act also eliminated the payphone subsidies that consumers paid in higher rates for other telephone services.

✓ What are dial around and toll-free calls?

"Access code," or "dial around," calls give the caller the ability to choose a particular long distance service (these include, for example, 10XXX calls such as "10321," as well as 1-800-COLLECT or 1-800-CALLATT).

"Subscriber-800," or "toll-free," calls permit a caller to reach a toll-free number obtained from a long distance company ("800" or "888").

✓ What did the FCC do?

Effective October 7, 1997, the FCC required long distance companies to pay owners of payphones 28.4 cents for each toll-free or dial around call made from a payphone, ending the "free ride" that long-distance companies had been taking for years on millions of calls from payphones. The "free ride" problem was aggravated in recent years as a result of a massive shift from "0+" to dial around calls encouraged by long distance company advertising and made possible by the enactment of the Telephone Operator Service Improvement Act (TOCSIA) in 1992, which required that payphones provide unrestricted access for long distance company access code calls.

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✔ **Was this a sudden decision?**

No. Long distance companies and other interested parties actively participated in an extended multi-year process. First, a 1995 court decision had put the industry on notice that PSPs must be compensated for these calls. Second, after the passage of the 1996 Act, the FCC spent over 8 months considering the issue and heard from 100 parties before issuing its payphone compensation regulations last year. AT&T, MCI, Sprint, WorldCom and CompTel (the trade association for smaller long distance companies) were among those filing comments.

✔ **Who pays?**

Contrary to what some long distance companies are saying, nothing in the FCC regulations requires long distance companies to impose a per-call charge on consumers. In fact, in a recent consumer alert, the FCC explicitly rejects the claim by long distance companies that they were forced to pass this charge on to customers. Instead, the FCC ruling simply requires long distance companies to provide fair compensation to payphone owners for use of their equipment and services.

✔ **Can consumers still make a toll-free or dial-around call from a payphone without depositing a coin?**

Yes. The Telecommunications Act requires that long distance companies - not consumers - compensate payphone owners for each call. The FCC has made it clear that the long distance companies have significant leeway on how to compensate the PSPs.

✔ **Will PSPs block "800" number calls from payphones?**

No. PSPs are prohibited by law from blocking toll-free calls from payphones.

✔ **What have the long distance companies done?**

They have exploited the issue, using the payphone compensation charges as an excuse for raising their rates while repeatedly blaming others. AT&T, MCI and Sprint, for example, have increased their "800" service rates twice in the last year. On June 1, 1997, AT&T added a 35-cent charge to dial around calls, lowering it to 28 cents and expanding the surcharge to cover toll-free calls after the FCC reduced the per-call compensation rate. These per-call charges were in addition to the across-the-board rate hikes for toll-free and business credit card calls imposed earlier in 1997. In the fall of 1997, MCI and Sprint added a 30-cent charge for dial around calls and toll-free calls.

✔ **What happened to the payphone subsidy?**

It's gone. The payphone subsidy was eliminated on April 15, 1997 providing an economic benefit to long distance companies in excess of $250 million per year. The subsidy was included in the "access charge" that long distance companies pay local telephone companies to originate and/or terminate long distance calls on the local networks. To date, there is no evidence that the long distance companies have passed those savings along to consumers or to owners of 800 numbers.

✔ **What are the benefits of payphone deregulation?**

In passing the Telecommunications Act, Congress ended a system that discouraged new companies from entering the payphone market. The Act was designed to promote competition and increase the availability and widespread placement of payphones. According to the FCC, it will also give Americans greater access to emergency and public safety services. The Telecommunications Act will also encourage technological advancement in payphones, including connections for laptops, built-in fax, screens for Internet access, and equipment for the hearing impaired.

✔ **What is the Payphone Communication Alliance?**

The Payphone Communication Alliance ("PCA") was formed to support Congressional and Federal Communications Commission ("FCC") policies to increase competition in the payphone industry. The PCA believes that free market competition will provide the best value for consumers, will lead to extensive deployment of payphones throughout the country and will encourage rapid advances in payphone technologies.

The Toll-Free Truth:

Long Distance Companies Overcharge for Payphone Calls

Long distance companies are charging consumers hundreds of millions of dollars more than necessary to compensate payphone providers for toll-free and dial around calls. Here's the breakdown:

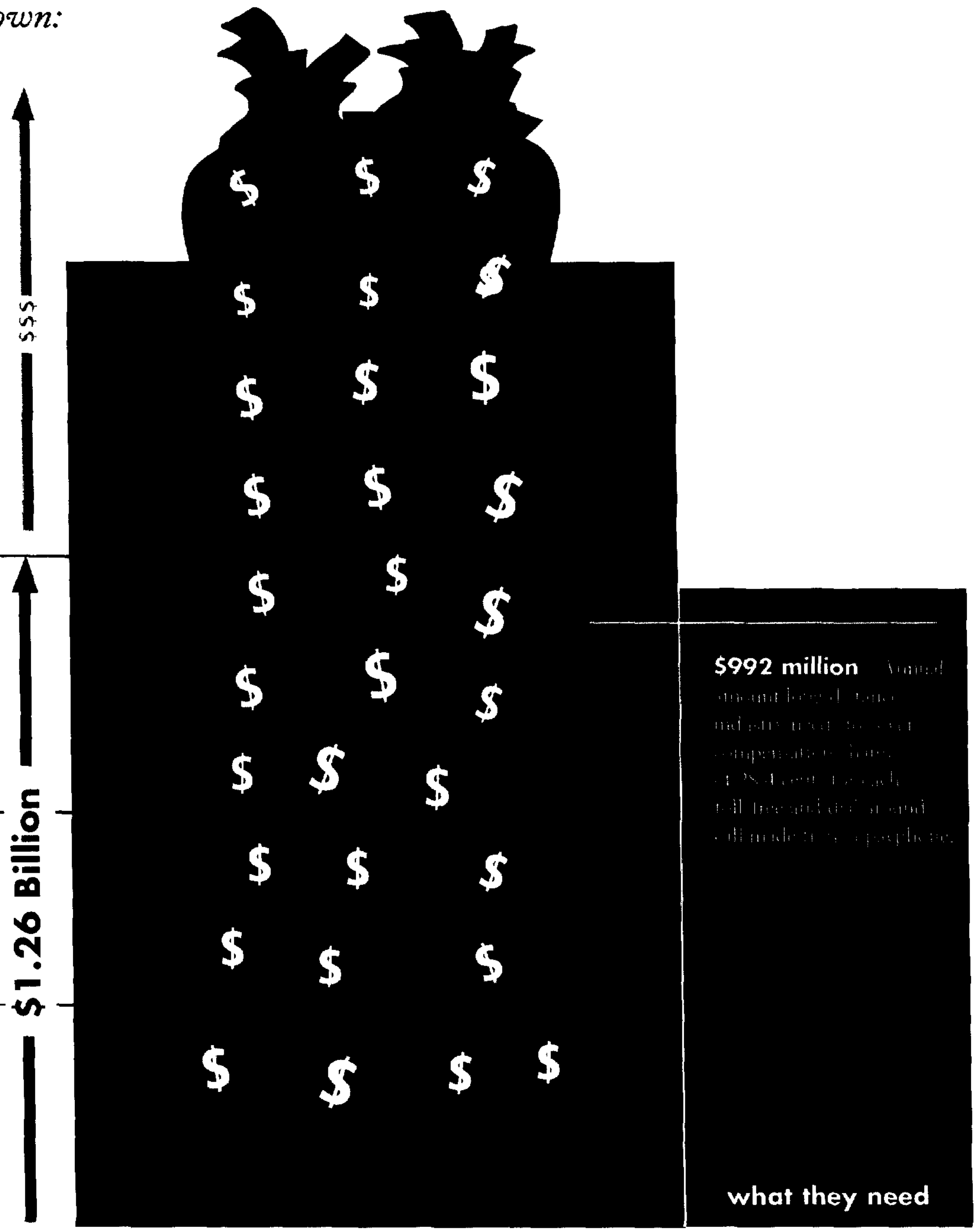
$$$ - In 1997, AT&T, MCI, Sprint and other long distance companies began imposing millions of dollars in surcharges -- up to 30 cents per call -- on all dial around and toll-free calls made from payphones. These surcharges alone will recover any amounts paid to payphone providers.

$$$ - Amount gained by MCI, Sprint and some other long distance companies from rate increases attributed to payphone compensation.

$641.6 million - Amount gained *by AT&T alone* in 1997 from rate increases on toll-free, business long distance and credit-card calls. AT&T imposed the hikes explicitly to compensate payphone providers.[1]

$371.5 million - Amount saved by long distance companies in 1997 in commission payments to location owners and payphone service providers.[2]

$250 million - Annual amount saved by long distance companies from elimination of interstate subsidies for payphone services provided by local phone companies.[3]



Sources:

1 Frost & Sullivan. Total amount is for AT&T rate hikes in February and May and does not include rate increases imposed by MCI, Sprint and other long distance carriers in 1997. On an annualized basis, the AT&T increases would exceed $900 million.

2 Based on public data and data submitted by payphone providers and independently verified and validated by Frost & Sullivan

3 Federal Communications Commission

4 Frost & Sullivan analysis based on FCC data

Payphone Communications Alliance

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Payphone Communication Alliance

EXPLANATION OF TERMS

Access Charge

The fee paid to local telephone companies by long distance companies to connect long distance calls to local customers. In April of 1997, the local telephone companies reduced their federal access charges by more than $250 million per year to reflect the reduction in costs from the elimination of payphone subsidies. The $250 million is now available to long distance companies to cover the cost of payphone compensation. In fact, long distance companies have simply pocketed these savings, while increasing rates to their customers and passing along the 28.4 cents per call payphone compensation rate to dial around and toll-free number subscribers.

American Public Communications Council (APCC)

The nation's largest independent payphone trade association, which represents some 2,000 owners, operators, suppliers and manufacturers of public communications equipment and services.

Cross-Subsidization

Before the Telecommunications Act of 1996 was implemented, local telephone company payphone operations were subsidized. In many instances, revenue from business and residential customers kept local payphone charges artificially low. When the new law ended these subsidies, local phone companies reduced access charges (see above) paid by long distance companies by more than $250 million a year to reflect the reduced costs. Instead of using these savings to offset per-call compensation payments, some long distance companies have pocketed the savings and billed customers new amounts, far in excess of the per call compensation

Dial around and Toll-free Calls

A law passed in 1990 required that payphones offer access to all toll-free and long distance services, but did not clearly require that payphone providers be compensated for all such calls. Long distance companies took advantage of this loophole in the law by providing customers a number of calling options, including 800 numbers, access codes and pre-paid cards that, in effect, gave them free access to millions of payphones, whose owners received little or no compensation for these calls.

"Access code," or "dial around," calls are those that give the caller the ability to choose a particular long distance service (these include "10XXX" calls such as 10321, as well as 1-800-COLLECT or 1-800-CALL-ATT).

"Subscriber-800," or "toll-free," calls are those that permit a caller to reach a toll-free number obtained from a long distance company ("800" or "888").

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FCC - Federal Communications Commission	Regulates interstate communications and is responsible for implementing the payphone provisions of the Telecommunications Act. The current chairman is William E. Kennard. The other four FCC commissioners include Susan Ness, Harold Furchtgott-Roth, Michael Powell and Gloria Tristani.
Local Coin Rate	The price consumers pay to place a local call from a public payphone. Local payphone rates were regulated by state utility commissions until October 7, 1997 but are now market driven. Section 276 of the Telecommunications Act of 1996 allowed for the deregulation of the local coin rates by lifting state and local regulations at the local level while prohibiting local telephone companies from cross-subsidizing payphone operations.
Long Distance Carrier	A company providing long-distance phone services. These include "800" and "888" services.
Payphone Communication Alliance (PCA)	The Payphone Communication Alliance (PCA) was formed to support Congressional and Federal Communications Commission (FCC) policies to increase competition in the payphone industry. The PCA believes that free market competition will provide the best value for customers, will lead to extensive deployment of payphones throughout the country and will encourage rapid advances in payphone technologies.
Payphone Service Providers (PSPs)	Owners and operators of public payphone equipment and services. There are two types of PSPs – independent payphone providers (IPPs) and local telephone companies and their affiliates. The IPPs are non-telephone company payphone providers. They are typically small, entrepreneurial businesses. All PSPs purchase the actual payphone instruments, negotiate with location owners (i.e., retail shops, airports, malls, etc.) for placement of the phones, contract with local and long distance phone carriers for service, and perform payphone maintenance and collection of call revenues.
Per-Call Compensation	Compensation paid by a long distance company to a payphone service provider for the use of a payphone in placing dial around and toll-free calls. For years, these calls generated little or no revenue for payphone service providers.
Telecommunications Act	In 1996, Congress enacted a law which redesigned the landscape in which the U.S. telecommunications industry, including payphones, competes. Section 276 provides that local telephone companies are prohibited from subsidizing payphone operations, a long-standing, regulated practice which kept local payphone rates artificially low. These subsidies were eliminated on April 15, 1997. Also, under the Section 276, the FCC must ensure the, PSPs are "fairly compensated for each and every completed... call" made from payphones. This requirement ended the free ride that long distance companies enjoyed for years on toll-free and dial around calls from payphones.

PAYPHONE COMPENSATION TIMELINE

Feb. 96 — Congress Passes Telecommunications Act of 1996

Section 276 of the Act provides:

1. All payphone providers must be "fairly compensated" for all payphone calls
2. "Marketplace" solutions are encouraged to promote widespread payphone deployment and technological improvements
3. Traditional subsidies of local telephone companies' payphone operations must be eliminated in order to promote competition

Nov. 96 — FCC Adopts Compensation Rules

1. Payphone providers must be compensated 35 cents per call for toll-free and dial around calls, effective 10/7/97
2. Local coin rates in all states are deregulated as of 10/7/97
3. Local Exchange Carrier (LEC) subsidies for payphone services must be eliminated by 4/15/97

April 97 — Interstate Payphone Subsidies Eliminated

LECs eliminate more than $250 million in interstate access charges paid by long distance companies to subsidize payphones

July 97 — Appeals Court Remands Rules to FCC

Federal Court of Appeals, DC Circuit, remands 35-cent per-call compensation rate to FCC for reconsideration

Nov. 96 – Aug. 97

AT&T, MCI, Sprint and other long distance carriers repeatedly raise 800 rates to cover per-call compensation. In 1997, AT&T alone gained $641.6 million from rate increases on toll-free, business long distance and credit card calls.

Oct. 97 — FCC Revises Compensation Rules

FCC reduces per-call compensation rate from 35 cents to 28.4 cents

Nov. 97

AT&T adds a 28¢ per-call surcharge on top of rate increases to cover per-call compensation.

MCI and Sprint each add per-call surcharges of 30¢ on top of rate increases to cover per-call compensation.

Dec. 97 — FCC's Revised Compensation Rules Challenged

Parties file challenges to 28.4-cent compensation rate with FCC and in US Court of Appeals

March 98 – April 98 — FCC Decision on Rule Challenges Anticipated

Payphone Communication Alliance

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ABOUT PCA

The Payphone Communication Alliance ("PCA") was formed to support Congressional and Federal Communications Commission ("FCC") policies to increase competition in the payphone industry. The PCA believes that free market competition will provide the best value for consumers, will lead to extensive deployment of payphones throughout the country and will encourage rapid advances in payphone technologies.

The PCA can be reached at:

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